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14	[Additional Plaintiffs' Counsel on Signature Page]		
15	SUPERIOR COURT OF THE STATE OF CALIFORNIA		
16	COUNTY OF ALAMEDA		
17	UNLIMITED JURISDICTION		
18			
19	DAVID ADELSON, et al., Plaintiffs,) Consolidated Case No.: 814461-0) [Consolidated with No. 831252-3	
20	V.) and No. 831286-0]	
21	PACIFICA FOUNDATION, et al., Defendants.) PLAINTIFFS AND CROSS-) COMPLAINANTS' MOTION TO	
22	PEOPLE OF THE STATE OF) PROHIBIT ADVANCEMENT OF) DIRECTORS' DEFENSE EXPENSES, OR	
23	CALIFORNIA, ex rel. CAROL SPOONER, et al.,) IN THE ALTERNATIVE, TO ENFORCE) THE COURT'S MAY 22, 2001 ORDER	
24	Plaintiffs, v.) REQUIRING AN UNDERTAKING BY) THE INDIVIDUAL DEFENDANTS	
25	PACIFICA FOUNDATION, et al.,) Date: September 13, 2001	
26	Defendants.) Time: 9:00 a.m.	
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) Dept.: 22
ROBERT ROBINSON, et al., Plaintiffs, v.) Judge: Hon. Ronald M. Sabraw))
PACIFICA FOUNDATION, et al., Defendants.))))
TOMAS MORAN, et al., Cross-Complainants, v.))))
PACIFICA FOUNDATION, et al., Cross-Defendants.)))
	J

Plaintiffs/relators Carol Spooner, et al., in the *People ex rel. Spooner* action, plaintiffs Robinson, et al., in the *Robinson* action and cross-complainants Moran, et al., in the *Moran* action ("Plaintiffs") hereby move this Court for an order prohibiting the advancement of defense expenses by Pacifica for the benefit of the individual director defendants; or, in the alternative, requiring the individual director defendants to post an undertaking in the total amount of \$300,000, and providing that the amount of the undertaking should be reevaluated at regular intervals. This motion is based on Corporations Code §§ 5233 and 5238(f), the attached Declarations and exhibits thereto of Terry Gross, Timothy Fox, and Tomas Moran, the attached Memorandum of Points and Authorities, on all pleadings had herein, and on all evidence to be adduced at any hearing.

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This motion is made on the grounds that the advancement of defense expenses by Pacifica would be a prohibited self-dealing transaction, since the individual director defendants have a material interest in the transaction and it has not been approved by a majority of the non-interested directors or otherwise in compliance with Corp. Code § 5233; and, in the alternative, because the Court has previously ordered that defendants post an undertaking for any defense expenses incurred by Foundation counsel that imposed an additional cost in excess of those expenses necessary in the defense of the Foundation, and current circumstances demonstrate that such additional costs are being and will be incurred related solely to the representation of the individual defendants without

1	the posting of an undertaking.		
2	WHEREFORE, Plaintiffs respectfully request that the Court enter an order prohibiting the		
3	advancement of defense expenses by Pacifica for the benefit of the individual director defendants;		
4	or, in the alternative, requiring the individual director defendants to post an undertaking in the total		
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7	amount of \$300,000, and providing that the amount of the undertaking should be reevaluated at		
8	regular intervals, and for such other relief deemed appropriate by the Court.		
9	Dated: August 23, 2001		
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